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DEPARTMENT OF COMMERCE

International Trade Administration

[C-475-837; C-489-832]

Carbon and Alloy Steel Wire Rod from Italy and the Republic of Turkey: Amended Final Affirmative Countervailing Duty Determination for the Republic of Turkey and Countervailing Duty Orders for Italy and the Republic of Turkey

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing the countervailing duty (CVD) orders on carbon and alloy steel wire rod (wire rod) from Italy and the Republic of Turkey (Turkey). Also, as explained in this notice, Commerce is amending its final affirmative determination with respect to Turkey to correct the rates assigned to Habas Sinai Ve Tibbi Gazlar Istih (Habas) and All-Others.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Yasmin Bordas at (202) 482-3813 (Italy), Justin Neuman at (202) 482-0486 (Turkey), or Omar Qureshi at (202) 482-5307 (Turkey), AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(a), 705(d), and 777(i) of the Tariff Act of 1930, as amended (Act), and 19 CFR 351.210(c), on March 28, 2018, Commerce published its affirmative

final determinations that countervailable subsidies are being provided to producers and exporters of wire rod from Italy and Turkey.¹

On March 27, 2018, Ferriere Nord S.p.A. alleged that Commerce made ministerial errors in the *Wire Rod from Italy Final Determination* with regard to Commerce's calculation of the final *ad valorem* subsidy rate pertaining to Ferriere Nord S.p.A.² One of the petitioners, Nucor Corporation (Nucor), filed rebuttal comments regarding Ferriere Nord S.p.A.'s allegation on April 2, 2018.³

Also on March 27, 2018, Nucor alleged that Commerce made a ministerial error in the *Wire Rod from Turkey Final Determination*.⁴ In addition, on that same date, the Government of Turkey (GOT) alleged that Commerce made a ministerial error in the *Wire Rod from Turkey Final Determination*.⁵ Nucor filed rebuttal comments regarding the GOT's allegation on April 2, 2018.⁶

We reviewed the allegations and determined that we did not make ministerial errors, within the meaning of section 705(e) of the Act and 19 CFR 351.224(f), with respect to the *Wire Rod from Italy Final Determination*; however, we did make a ministerial error in the *Wire Rod from Turkey Final Determination*. See "Amendment to the Final Determination" section below

¹ See *Countervailing Duty Investigation of Carbon and Alloy Steel Wire Rod from Italy: Final Affirmative Determination*, 83 FR 13242 (March 28, 2018) (*Wire Rod from Italy Final Determination*) and the accompanying Issues and Decision Memorandum; *Carbon and Alloy Steel Wire Rod from the Republic of Turkey: Final Affirmative Countervailing Duty Determination*, and *Final Affirmative Critical Circumstances Determination, in Part*, 83 FR 13239 (March 28, 2018) (*Wire Rod from Turkey Final Determination*) and the accompanying Issues and Decision Memorandum.

² See Letter from Ferriere Nord, S.p.A., "Countervailing Duty Investigation of Carbon and Alloy Steel Wire Rod from Italy: Ferriere Nord Request to Correct Ministerial Errors in the Final Determination," dated March 27, 2018.

³ See Letter from Nucor, "Carbon and Alloy Steel Wire Rod from the Republic of Italy: Rebuttal Ministerial Error Comments," dated April 2, 2018.

⁴ See Letter from Nucor, "Carbon and Alloy Steel Wire Rod from the Republic of Turkey: Ministerial Error Allegation," dated March 27, 2018 (Nucor Ministerial Error Allegation).

⁵ See Letter from the GOT, "Request of Government of Turkey for Correction of Ministerial Error on Final Determination in CVD Proceeding on Carbon and Alloy Steel Wire Rod from the Republic of Turkey," dated March 27, 2018 (GOT Ministerial Error Allegation).

⁶ See Letter from Nucor, "Carbon and Alloy Steel Wire Rod from the Republic of Turkey: Rebuttal Ministerial Error Comments," dated April 2, 2018 (Nucor Rebuttal Comments).

for further discussion.

On May 11, 2018, the ITC notified Commerce of its affirmative determination that an industry in the United States is materially injured within the meaning of section 705(b)(1)(A)(i) and 705(d) of the Act, by reason of subsidized imports of subject merchandise from Italy and Turkey, and its determination that critical circumstances do not exist with respect to imports of wire rod from Turkey that are subject to Commerce's affirmative critical circumstances finding.⁷

Scope of the Orders

The scope of these orders covers wire rod from Italy and Turkey. For a complete description of the scope, *see* the Appendix to this notice.

Amendment to the Final Determination

With respect to the *Wire Rod from Italy Final Determination*, we analyzed Ferriere Nord S.p.A.'s submission and disagree that Commerce made ministerial errors regarding the benefit calculation of the Energy Interruptibility Contracts program.⁸

With respect to the *Wire Rod from Turkey Final Determination*, we analyzed Nucor's submission and agree that Commerce made a ministerial error regarding the deduction of expenses from loans received by respondent Habas Sinai ve Tibbi Galzlar Istihsal Endustrisi A.S. (Habas). However, we do not agree that the error alleged by the GOT constitutes a ministerial error. Pursuant to 19 CFR 351.224(e), Commerce is amending the *Wire Rod from Turkey Final Determination* to reflect the correction of the ministerial error described above. The correction of this ministerial error increased Habas' subsidy rate from 3.86 percent *ad*

⁷ See Letters to Gary Taverman, Acting Assistant Secretary of Commerce for Enforcement and Compliance, from Rhonda K. Schmidlein, Chairman of the U.S. International Trade Commission, regarding carbon and alloy steel wire rod from Italy and the Republic of Turkey (May 11, 2018) (ITC Letter).

⁸ See Memorandum, "Countervailing Duty Investigation of Carbon and Alloy Steel Wire Rod from Italy: Allegations of Ministerial Errors in the Final Determination with Regards to Ferriere Nord S.p.A.," dated May 7, 2018.

valorem to 3.88 percent *ad valorem*.⁹ Because the “all-others” rate is based, in part, on Habas’ *ad valorem* subsidy rate, the correction noted above also increases the “all-others” rate determined in the *Wire Rod from Turkey Final Determination* from 3.84 percent *ad valorem* to 3.85 percent *ad valorem*.¹⁰

Countervailing Duty Orders

On May 11, 2018, in accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC notified Commerce of its final determinations in these investigations, in which it found that an industry in the United States is materially injured by reason of imports of wire rod from Italy and Turkey.¹¹ Therefore, in accordance with section 705(c)(2) of the Act, Commerce is issuing these countervailing duty orders. Because the ITC determined that imports of wire rod from Italy and Turkey are materially injuring a U.S. industry, unliquidated entries of such merchandise from Italy and Turkey, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

Therefore, in accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties for all relevant entries of wire rod from Italy and Turkey. Countervailing duties will be assessed on unliquidated entries of wire rod from Italy and Turkey entered, or withdrawn from warehouse, for consumption on or after September 5, 2017, the date of publication of the *Preliminary Determinations*,¹² but will not include entries occurring after the

⁹ See Memorandum, “Carbon and Alloy Steel Wire Rod from the Republic of Turkey: Amended Final Determination of Countervailing Duty Investigation Pursuant to Ministerial Error Allegation,” dated May 3, 2018.

¹⁰ *Id.*

¹¹ See ITC Letter.

¹² See *Carbon and Alloy Steel Wire Rod from Italy: Preliminary Affirmative Countervailing Duty Determination*, 82 FR 41931 (September 5, 2017) (*Italy Wire Rod Preliminary Determination*) and the accompanying Preliminary Decision Memorandum; see also *Carbon and Alloy Steel Wire Rod from the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination and Preliminary Affirmative Critical Circumstances Determination, in Part.*, 82 FR 41929 (September 5, 2017) (*Turkey Wire Rod Preliminary Determination*) and the accompanying

expiration of the provisional measures period and before publication of the ITC's final injury determination as further described below.

Amended Cash Deposits and Suspension of Liquidation

In accordance with section 706 of the Act, we will instruct CBP to suspend liquidation on all relevant entries of wire rod from Italy and Turkey, as further described below. These instructions suspending liquidation will remain in effect until further notice. Commerce will also instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the subsidy rates listed below.¹³ The all-others rate applies to all producers or exporters not specifically listed, as appropriate.

Wire Rod from Italy

Company	Subsidy Rate
Ferriere Nord S.p.A. ¹⁴	4.16 percent
Ferriera Valsider S.p.A.	44.18 percent
All-Others	4.16 percent

Preliminary Decision Memorandum (collectively, *Preliminary Determinations*).

¹³ See section 706(a)(3) of the Act.

¹⁴ Commerce has found the following companies to be cross-owned with Ferriere Nord S.p.A: FIN FER S.p.A., Acciaierie di Verona S.p.A., and SIAT S.p.A. See *Wire Rod from Italy Final Determination* (unchanged from *Italy Wire Rod Preliminary Determination* and the accompanying Preliminary Decision Memorandum at 6).

Wire Rod from Turkey

Company	Subsidy Rate
Habas Sinai Ve Tibbi Gazlar Istih (Habas)	3.88 percent
Icdas Celik Eberji Tersane Ve Ulasim San (Icdas)	3.81 percent
All-Others	3.85 percent

Provisional Measures

Section 703(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigations, Commerce published the *Preliminary Determinations* on September 5, 2017. As such, the four-month period beginning on the date of the publication of the *Preliminary Determinations* ended on January 3, 2018. Furthermore, section 707(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination. Therefore, in accordance with section 703(d) of the Act and our practice, we instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of wire rod from Italy and Turkey entered, or withdrawn from warehouse, for consumption, on or after January 3, 2018, the date the provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Critical Circumstances

The ITC notified Commerce of its determination that critical circumstances do not exist with respect to imports of wire rod from Turkey subject to Commerce's critical circumstances finding.¹⁵ With regard to the ITC's negative critical circumstances determination on imports of wire rod steel from Turkey, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated countervailing duties with respect to entries of the subject merchandise entered, or withdrawn from warehouse for consumption on or after June 7, 2017 (*i.e.*, 90 days prior to the date of the publication of the *Turkey Wire Rod Preliminary Determination*), but before September 5, 2017 (*i.e.*, the date of publication of the *Turkey Wire Rod Preliminary Determination*).

Notifications to Interested Parties

This notice constitutes the countervailing duty orders with respect to wire rod from Italy and Turkey pursuant to section 706(a) of the Act. Interested parties can find a list of countervailing duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

These orders are issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: May 16, 2018.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

¹⁵ See ITC Letter.

Appendix

Scope of the Orders

The products covered by these orders are certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high-nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (i.e., products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorous, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under these orders are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093; 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the HTSUS. Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise above. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these proceedings is dispositive.

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